

**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
**Interim financial statements for the nine month period ended 30 September 2020**

**Unaudited Condensed Consolidated Statement of Financial Position**

	<b>As at</b> <b>30.09.2020</b> <b>RM'000</b>	<b>As at</b> <b>31.12.2019</b> <b>RM'000</b>
<b>Assets</b>		
Property and equipment	42,329	40,009
Investment property	82,593	82,593
Intangible assets	137,697	132,183
Available-for-sale financial assets	3,374,643	3,340,632
Financial assets at fair value through profit or loss	1,840,705	1,742,001
Loans and receivables	514,090	367,901
Reinsurance assets	22,033	5,938
Insurance receivables	10,458	25,794
Right-of-use assets	2,410	2,707
Deferred tax assets	165	9
Current tax assets	9,022	8,226
Cash and cash equivalents ( <i>Note 28</i> )	184,018	207,145
<b>Total Assets</b>	<b>6,220,163</b>	<b>5,955,138</b>
<b>Equity, Policyholders' Fund and Liabilities</b>		
Share capital	111,974	103,069
Retained earnings	718,113	716,874
Other reserves	48,694	17,424
<b>Equity attributable to the owners of the Company</b>	<b>878,781</b>	<b>837,367</b>
Non-controlling interests	930	256
<b>Total Equity</b>	<b>879,711</b>	<b>837,623</b>
Insurance contract liabilities ( <i>Note 27</i> )	4,345,898	4,215,893
Insurance claims liabilities	69,039	53,464
Financial liability at fair value through profit or loss	2,461	-
Deferred tax liabilities	46,198	34,137
Reinsurance liabilities	-	5,412
Insurance payables	640,049	602,018
Lease liabilities	2,520	2,864
Current tax liabilities	2	370
Other payables	234,285	203,357
<b>Total Liabilities</b>	<b>5,340,452</b>	<b>5,117,515</b>
<b>Total Equity, Policyholders' Fund and Liabilities</b>	<b>6,220,163</b>	<b>5,955,138</b>
<b>Net Assets Per Share (RM)</b>	<b>4.25</b>	<b>4.14</b>

The accompanying notes form an integrated part of these interim financial statements.

**MANULIFE HOLDINGS BERHAD ((197501003360 (24851-H))**  
**Interim financial statements for the nine month period ended 30 September 2020**

**Unaudited Condensed Consolidated Statement of Profit or Loss**

	3 months ended		Cumulative 9 months ended	
	<u>30.09.2020</u> RM'000	<u>30.09.2019</u> RM'000	<u>30.09.2020</u> RM'000	<u>30.09.2019</u> RM'000
Premium income				
Gross premiums	239,869	230,103	747,452	666,774
Premiums ceded to reinsurers	(23,791)	(19,614)	(68,662)	(48,464)
Net premiums ( <i>Note 21</i> )	<u>216,078</u>	<u>210,489</u>	<u>678,790</u>	<u>618,310</u>
Investment income ( <i>Note 22</i> )	45,519	54,059	139,569	149,046
Net realised gains/(losses)	35,874	128	(1,065)	20,654
Net fair value gains/(losses)	79,318	(38,607)	(52,243)	48,073
Fee income	28,771	29,814	80,655	81,658
Other operating income	<u>1,263</u>	<u>949</u>	<u>3,290</u>	<u>2,669</u>
<b>Total revenue</b>	<b>406,823</b>	<b>256,832</b>	<b>848,996</b>	<b>920,410</b>
Gross benefits and claims paid	(226,327)	(190,417)	(619,214)	(526,535)
Claims ceded to reinsurers	13,056	8,658	27,577	15,524
Gross change in contract liabilities	(77,854)	1,990	(10,092)	(139,596)
Change in insurance contract liabilities ceded to reinsurers	<u>1,342</u>	<u>(3,070)</u>	<u>16,023</u>	<u>(1,726)</u>
<b>Net claims</b>	<b>(289,783)</b>	<b>(182,839)</b>	<b>(585,706)</b>	<b>(652,333)</b>
Fee and commission expenses	(31,009)	(28,451)	(82,827)	(84,703)
Investment expenses	(1,101)	(1,429)	(3,526)	(3,848)
Management expenses	(54,007)	(53,522)	(151,585)	(143,289)
Other operating (expenses)/income ( <i>Note 23</i> )	<u>(24,213)</u>	<u>1,947</u>	<u>(3,713)</u>	<u>(17,743)</u>
<b>Other expenses</b>	<b>(110,330)</b>	<b>(81,455)</b>	<b>(241,651)</b>	<b>(249,583)</b>
<b>Profit/(loss) before taxation (<i>Note 24</i>)</b>	<b>6,710</b>	<b>(7,462)</b>	<b>21,639</b>	<b>18,494</b>
Taxation ( <i>Note 25</i> )	<u>(33)</u>	<u>(397)</u>	<u>(6,219)</u>	<u>(5,989)</u>
<b>Net profit/(loss) for the financial period</b>	<b><u>6,677</u></b>	<b><u>(7,859)</u></b>	<b><u>15,420</u></b>	<b><u>12,505</u></b>
<b>Net profit/(loss) attributable to:</b>				
Owners of the Company	6,672	(7,877)	15,404	12,472
Non-controlling interests	<u>5</u>	<u>18</u>	<u>16</u>	<u>33</u>
	<b><u>6,677</u></b>	<b><u>(7,859)</u></b>	<b><u>15,420</u></b>	<b><u>12,505</u></b>
Basic and diluted earnings/(loss) per share (sen) ( <i>Note 26</i> )	<u>3.27</u>	<u>(3.90)</u>	<u>7.58</u>	<u>6.16</u>

The accompanying notes form an integrated part of these interim financial statements.

**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
**Interim financial statements for the nine month period ended 30 September 2020**

**Unaudited Condensed Consolidated Statement of Total Comprehensive Income**

	3 months ended		Cumulative 9 months ended	
	<u>30.09.2020</u> RM'000	<u>30.09.2019</u> RM'000	<u>30.09.2020</u> RM'000	<u>30.09.2019</u> RM'000
<b>Net profit/(loss) for the financial period</b>	6,677	(7,859)	15,420	12,505
<b>Other comprehensive income, net of tax:</b>				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:-				
Net (loss)/gain on foreign currency translation	(200)	129	1,315	127
Fair value change of available-for-sale financial assets:				
- Gross fair value change	60,910	23,824	162,068	140,927
- Deferred tax	(4,428)	(3,119)	(11,798)	(13,592)
	56,482	20,705	150,270	127,335
Changes in insurance contract liabilities arising from unrealised net fair value change	(45,230)	(16,195)	(120,315)	(100,492)
Net income	<u>11,252</u>	<u>4,510</u>	<u>29,955</u>	<u>26,843</u>
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	11,052	4,639	31,270	26,970
<b>Other comprehensive income for the financial period</b>	<u>11,052</u>	<u>4,639</u>	<u>31,270</u>	<u>26,970</u>
<b>Total comprehensive income/(loss) for the financial period</b>	<u>17,729</u>	<u>(3,220)</u>	<u>46,690</u>	<u>39,475</u>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the Company	17,724	(3,238)	46,674	39,442
Non-controlling interests	5	18	16	33
	<u>17,729</u>	<u>(3,220)</u>	<u>46,690</u>	<u>39,475</u>

The accompanying notes form an integrated part of these interim financial statements.

**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
**Interim financial statements for the nine month period ended 30 September 2020**

**Unaudited Condensed Consolidated Statement of Changes in Equity**

	Attributable to owners of the Company							Non-controlling interests RM'000	Total RM'000
	Non - distributable			Distributable					
	Share capital RM'000	Asset revaluation reserve RM'000	Currency translation reserve RM'000	Fair value reserve RM'000	Retained earnings* RM'000	Total RM'000			
<b>At 1 January 2020</b>	103,069	6,202	(1,251)	12,473	716,874	837,367	256	837,623	
Changes in ownership interest in a unit trust fund managed by a subsidiary	-	-	-	-	-	-	658	658	
Net profit for the financial period	-	-	-	-	15,404	15,404	16	15,420	
Other comprehensive income for the financial period	-	-	1,315	29,955	-	31,270	-	31,270	
Total comprehensive income for the financial period	-	-	1,315	29,955	15,404	46,674	16	46,690	
Issuance of 4,613,965 new shares pursuant to Dividend Reinvestment Plan	8,905	-	-	-	-	8,905	-	8,905	
Final dividend for the financial year ended 31 December 2019	-	-	-	-	(14,165)	(14,165)	-	(14,165)	
<b>At 30 September 2020</b>	<b>111,974</b>	<b>6,202</b>	<b>64</b>	<b>42,428</b>	<b>718,113</b>	<b>878,781</b>	<b>930</b>	<b>879,711</b>	
<b>At 1 January 2019</b>	103,069	5,798	(762)	6,752	704,924	819,781	2,090	821,871	
Effect of adoption of MFRS 16	-	-	-	-	(18)	(18)	-	(18)	
<b>At 1 January 2019 (restated)</b>	<b>103,069</b>	<b>5,798</b>	<b>(762)</b>	<b>6,752</b>	<b>704,906</b>	<b>819,763</b>	<b>2,090</b>	<b>821,853</b>	
Changes in ownership interest in a unit trust fund managed by a subsidiary	-	-	-	-	-	-	(774)	(774)	
Net profit for the financial period	-	-	-	-	12,472	12,472	33	12,505	
Other comprehensive income for the financial period	-	-	127	26,843	-	26,970	-	26,970	
Total comprehensive income for the financial period	-	-	127	26,843	12,472	39,442	33	39,475	
Final dividend for the financial year ended 31 December 2018	-	-	-	-	(14,166)	(14,166)	-	(14,166)	
<b>At 30 September 2019</b>	<b>103,069</b>	<b>5,798</b>	<b>(635)</b>	<b>33,595</b>	<b>703,212</b>	<b>845,039</b>	<b>1,349</b>	<b>846,388</b>	

\* Included in the retained earnings are surplus from Non-participating life fund of the insurance subsidiaries of the Group (net of deferred tax) of approximately RM 110,438,000 (1 January 2020: RM 68,835,000 / 30 September 2019: RM 82,605,000 / 1 January 2019: RM 69,495,000). These amounts are only distributable upon the actual recommended transfer from the Non-participating life fund to the Shareholder's fund of the insurance subsidiary of the Group by the Appointed Actuary.

The accompanying notes form an integrated part of these interim financial statements.

**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
**Interim financial statements for the nine month period ended 30 September 2020**

**Unaudited Condensed Consolidated Statement of Cash Flows**

	<b>9 months ended 30.09.2020 RM'000</b>	<b>9 months ended 30.09.2019 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit for the financial period	15,420	12,505
Adjustments for non-cash items	(72,065)	(191,957)
Operating loss before changes in operating assets and liabilities	<u>(56,645)</u>	<u>(179,452)</u>
Purchase of investments	(2,141,444)	(1,561,364)
Proceeds from disposal and maturity of investments	2,127,513	1,356,554
Interest income received	105,767	102,738
Dividend income received	32,792	36,867
Rental income received	2,812	3,662
Decrease in insurance receivables	15,336	6,369
(Increase)/decrease in reinsurance assets	(21,507)	5,037
(Increase)/decrease in fixed and call deposits	(125,162)	58,591
(Increase)/decrease in loan receivables	(1,193)	1,986
Increase in other receivables	(17,694)	(18,940)
Increase in insurance contract liabilities	9,690	139,941
Increase in insurance claims liabilities	15,575	2,083
Increase in payables	72,609	37,182
Cash generated from/(used in) operations	<u>18,449</u>	<u>(8,746)</u>
Interest paid	(82)	(36)
Income taxes paid	(12,923)	(21,969)
Net cash inflow/(outflow) from operating activities	<u>5,444</u>	<u>(30,751)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(4,788)	(2,161)
Purchase of intangible assets	(11,626)	(2,335)
Purchase of investments	(20,848)	(44,864)
Proceeds from disposal and maturity of investments	16,788	122,119
Proceeds from disposal of property and equipment	-	33
Net cash (outflow)/inflow from investing activities	<u>(20,474)</u>	<u>72,792</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid to shareholders	(5,261)	-
Payment of lease liabilities	(3,495)	(665)
Changes in non-controlling interests	659	(774)
Net cash outflow from financing activities	<u>(8,097)</u>	<u>(1,439)</u>
Net (decrease)/increase during the financial period	(23,127)	40,602
Cash and cash equivalents at 1 January	207,145	130,893
Cash and cash equivalents at 30 September (Note 28)	<u>184,018</u>	<u>171,495</u>

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents included in the unaudited condensed consolidated statement of cash flows comprise the following:

	<b>As at 30.09.2020 RM'000</b>	<b>As at 30.09.2019 RM'000</b>
Cash and bank balances	166,048	147,574
Short-term deposits	17,970	23,921
Cash and cash equivalents	<u>184,018</u>	<u>171,495</u>

The accompanying notes form an integrated part of these interim financial statements.